

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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BILL DRAFT 2009-RBxz-8 [v.2] (01/13)

(THIS IS A DRAFT AND IS NOT READY FOR INTRODUCTION)
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Short Title: Make Better Use of Economic Incentives.

(Public)

Sponsors: .

Referred to:

A BILL TO BE ENTITLED
AN ACT TO REALLOCATE NORTH CAROLINA'S ECONOMIC INCENTIVES
PORTFOLIO TO MAKE IT MORE EFFECTIVE, TARGETED, AND MEASURABLE
BY ELIMINATING INEFFECTIVE TAX CREDITS, REDUCING THE CORPORATE
INCOME TAX RATE, TARGETING DISTRESSED AREAS AND STRATEGIC
INDUSTRIES, AND PROVIDING ONGOING LEGISLATIVE ASSESSMENT OF THE
STATE'S ECONOMIC INCENTIVES PORTFOLIO.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-129.82(a) reads as rewritten:

"(a) Sunset. – This Article is repealed effective for business activities that occur on or after ~~January 1, 2011~~ January 1, 2009."

SECTION 2. G.S. 105-130.3 reads as rewritten:

"§ 105-130.3. Corporations.

A tax is imposed on the State net income of every C Corporation doing business in this State. An S Corporation is not subject to the tax levied in this section. The tax is a percentage of the taxpayer's State net income computed as follows:

Income Years Beginning Tax

In 1997	7.5%
In 1998	7.25%
In 1999	7%
After 1999	6.9%
<u>Before 2011</u>	<u>6.9%</u>
<u>In 2011</u>	<u>6.8%</u>
<u>In 2012</u>	<u>6.7%</u>
<u>After 2012</u>	<u>6.6%</u> ."

SECTION 3. G.S. 143B-437.51 is amended by adding a new subdivision to read:

"§ 143B-437.51. Definitions.

The following definitions apply in this Part:

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